

ORIGINAL
STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**PETITION OF LAWRENCEBURG
GAS COMPANY FOR APPROVAL
UNDER I.C. 8-1-2-42(A) AND I.C.
8-1-2.5-1, ET SEQ. OF THE CHANGE
OF ITS TARIFFS INCORPORATING
A NORMAL TEMPERATURE
ADJUSTMENT.**

CAUSE NO. 43141

APPROVED: MAR 22 2007

BY THE COMMISSION:

Larry S. Landis, Commissioner

Lorraine Hitz-Bradley, Administrative Law Judge

On October 16, 2006, Lawrenceburg Gas Company ("Lawrenceburg" or "Petitioner") filed its *Verified Petition* with the Indiana Utility Regulatory Commission ("Commission") seeking the addition of a Normal Temperature Adjustment ("NTA") to its tariff. Thereafter, on October 23, 2006 Petitioner moved to amend its *Verified Petition* to include an additional customer class whose reference had been inadvertently left out of its initial *Verified Petition*.

In a consolidated proceeding involving this Petitioner and eight other petitioning utilities ("Prior Proceedings"), the Commission approved a Type 1 individual customer NTA for Lawrenceburg by Order of December 6, 2006. On January 10, 2007, Petitioner filed a *Motion Nunc Pro Tunc*, seeking authority to change the method of calculating the Type 1 NTA, using customer class weather related data in lieu of individual customer weather related data on an interim-only basis, for the balance of the 2006-2007 heating season, until Petitioner's newly purchased software can be installed, tested, and implemented.

On February 1, 2007, the Presiding Officers issued a docket entry in this Cause holding that Petitioner's *Motion Nunc Pro Tunc* was in effect a request to reopen the record, for purposes of submitting additional documentation in support of the change to a Type 1 customer class NTA. On February 16, 2007, Petitioner prefiled the supplemental testimony and exhibits of Kerry A. Heid and Duane C. Mercer in further support of its request. On February 23, 2007, Petitioner filed a response to questions issued by the Presiding Officers, which written responses were admitted into the record at the subsequent evidentiary hearing. The Indiana Office of Utility Consumer Counselor ("OUCC") indicated that it would be filing no further evidence in this matter.

Pursuant to notice as provided by law, proof of which was incorporated into the record by reference and placed in the official files of the Commission, an evidentiary hearing in this Cause relating to the issue of Petitioner's proposed changed calculation was held at 10:30 a.m. on February 26, 2007, in Room E306. The Petitioner and the OUCC appeared and participated in the evidentiary hearing. No members of the general public appeared or otherwise sought to testify.

Having considered the evidence of record and being duly advised, the Commission now finds as follows:

1. **Statutory Notice and Commission Jurisdiction.** Due, legal, and timely notice of the hearing in this Cause was given and published by the Commission as required by law. Petitioner is a public utility within the meaning of that term pursuant to Indiana Code § 8-1-2-1. Petitioner is also an energy utility as that term is defined in Indiana Code § 8-1-2.5-2. Further, the original petition in this cause reflects an election by this Petitioner to be subject to the statutory provisions of Indiana Code § 8-1-2.5-1 et. seq. The Commission therefore has jurisdiction over this Petitioner and the subject matter herein.

2. **Petitioner's Characteristics.** Petitioner is a corporation duly organized and existing under the laws of the State of Indiana. Petitioner owns, operates, manages, and controls plant and equipment used for the distribution and furnishing of natural gas service to approximately 6,300 customers in Dearborn, Ohio, and Franklin Counties in Indiana.

3. **Relief Requested.** By its motion, Petitioner seeks authority to calculate the previously approved Type 1 NTA for its tariffs related to Rate G-1 and Rate G-2, using the customer class weather data calculation previously approved for Indiana Utilities Corporation ("Indiana Utilities") in the Commission's December 6, 2006 Order in the Prior Proceedings.

4. **Evidence of the Parties.** Lawrenceburg has submitted information from its witnesses Heid and Mercer, in addition to the evidence previously presented by Petitioner in the Prior Proceedings. Mr. Heid explained in his supplemental testimony and exhibits that Lawrenceburg will calculate its Type 1 NTA for Rates G-1 and G-2 using the customer class calculation. Lawrenceburg will manually calculate the Type 1 NTA for Rate WS using the individual class calculation approved in the December 6, 2006 Order until the replacement of the current software.

The primary reason for the requested change for Lawrenceburg's Rates G-1 and G-2 is the limited ability of Petitioner's current software to accommodate the individual customer calculations. Lawrenceburg is in the process of replacing that software and its new software will be capable of processing individual customer calculations. Mr. Heid offered Lawrenceburg's replacement tariff sheets showing a customer class calculation, rather than the individual customer calculation.

Mr. Mercer testified that the proposed change would have an insignificant impact on Petitioner's customers. However, the change would continue to provide the Type 1 NTA benefits for Lawrenceburg, its customers, and the State. Mr. Mercer also explained that the change in calculation is temporary; Lawrenceburg intends to reinstitute Type 1 NTA individual customer calculations for all classes of customers upon the replacement of its current software, sometime after the conclusion of the current heating season.

Both Mr. Mercer and Mr. Heid stated that the new software would be in place prior to the next heating season. They have worked with the new software vendor to describe the Type 1 NTA process, and believe that the new software will allow individual customer calculations. Both underscored that the calculation now proposed by Lawrenceburg is the same calculation that this Commission previously approved for Indiana Utilities in Cause No. 43108 as part of the prior Proceedings.

5. **Discussion and Findings.** The Commission approved a Type 1 individual customer NTA for Lawrenceburg on December 6, 2006. Subsequent to the issuance of our December 6, 2006 Order, Lawrenceburg determined that its current billing software would not accommodate the Type 1 individual customer NTA calculations. Mr. Heid testified that the Type 1 customer class NTA was expected only to be effective for the remaining months of this winter (2006-2007) heating season. Of

the nine gas utilities that requested approval of a Type 1 NTA in Cause No. 43107, et al., only Indiana Utilities requested approval for a Type 1 customer class NTA.

The Commission grants Lawrenceburg's request to implement a Type 1 customer class NTA. However, this approval is on a prospective basis from the date of this Order. Our approval is not retroactive to December 6, 2006, when we approved Lawrenceburg's request to implement a Type 1 individual customer NTA. Lawrenceburg may not bill its customers for normal temperature adjustments between December 6, 2006 and the date of this Order using the Type 1 customer class NTA. This approval is on an interim-only basis, for the balance of the 2006-2007 heating season, until Petitioner's newly purchased software can be installed, tested, and implemented. To the extent that there was uncertainty that the software could accommodate the requested Type 1 individual customer NTA, Lawrenceburg could have either requested the Commission approve a Type 1 customer class NTA, or requested that particular relief in the alternative.

In addition, Lawrenceburg shall file written notification of its intent to change from the Type 1 customer class NTA back to the Type 1 individual customer NTA in advance of the next heating season. Such notice shall reference appropriate evidence in the record of these proceedings, or shall provide such other additional evidence in support as is necessary to modify Lawrenceburg's tariff accordingly.

Based upon the evidence of record in this matter, we find there is sufficient evidence in the record to grant Lawrenceburg's request for a Type 1 customer class NTA.

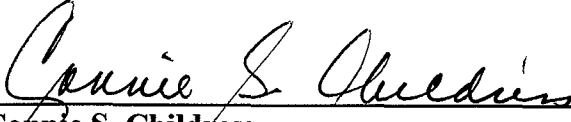
IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. Petitioner's request for a Type 1 customer class NTA and the requested revised tariffs relating to its Rates G-1 and G-2 are approved as set forth herein.
2. Petitioner shall file written notification and proof of its intent to change from the Type 1 customer class NTA back to the Type 1 individual customer NTA.
3. This Order shall be effective on and after the date of its approval.

GOLC, LANDIS, SERVER AND ZIEGNER CONCUR; HARDY ABSENT:
APPROVED:

MAR 22 2007

I hereby certify that the above is a true and correct copy of the Order as approved.



Connie S. Childress
Acting Secretary to the Commission